

TOWN MANAGER

I am pleased to submit to you my sixth annual report as Town Manager. During the course of 2002, I continued to discharge my duties as set forth in Section 11 of the Board of Selectmen - Town Manager's Act. As part of these duties, I attended the regular and special meetings of the Board of Selectmen in addition to special workshops that were used to focus on specific critical issues. In addition, I attended meetings of other Boards, Committees and Commissions as necessary and appropriate.

For the first time in my tenure, I have not made any new appointments in the senior staff area. Those that have reviewed each of my five previous reports noted the turn over of senior staff positions in recent years resulting from retirements of several very long tenured senior department heads. Over my tenure we have seen new leadership in the Police, Fire, Engineering, Parks and Cemetery Departments. I report to you that this transition has been very successful and each department continues to service the residents in Shrewsbury in an exemplary fashion. This is a tribute to the skills of the incumbents and the legacy of those senior department heads who retired after so many years of effective service.

One retirement of great note was that of Shirley Menendez, the Town's first full time Animal Control Officer. Ms. Menendez was a true professional serving this community for nearly forty years. She always showed great skill, compassion and competence in all instances and her service will be missed. To fill this position, Chief Sampson selected Ms. Leona Pease who we feel will do an outstanding job for this community.

Another personnel action of great note, was the selection by the Board of Selectmen of Carolyn Marcotte of Milford, Massachusetts, to serve as Collector-Treasurer upon the resignation of Charles Patterson. While Ms. Marcotte is not under the direct supervision of this office, we endeavor to work closely together as is the practice and norm in this organization. I note Mr. Paterson excellent service to this community. He was a great asset as a member of our financial management team.

In September we opened our new 1,473 seat Senior High School with great pride and fanfare. We are most proud of this fine building which will service the educational needs of this community for the next generation and beyond. I congratulate the work of all parties involved in the completion and opening of this building. Many worked tirelessly over the summer months to get the building ready for occupancy. As of this writing, the Building Committee continues to work with the architect, construction manager and general contractor to fully complete the building so that the project may be closed out and submitted for full State reimbursement. At the close of 2002, the monetized punch list for the project was in the area of \$2.5 Million. We are hopeful that with the best efforts of all parties that the punch list items can be completed to the satisfaction of the Building Committee sometime by mid 2003.

In November of 2002, work began on the \$22 Million renovation of former High School. This extensive renovation will be completed in time for a September 2004 opening of that facility. Currently the School Committee is working with the school administration on a grade configuration that will be put into place once this facility is available. As for the construction itself, as of this writing all is proceeding on schedule and on budget. The Building Committee is considering however, the expansion of the scope of the project to add in effect 200 more seats bringing the design capacity to 1,100 students. The original design called for a student capacity of 900 students.

As I stated in my last report, I plan to continue to pursue facility initiatives for non-educational departments in the areas of sewer expansion and treatment, library, and public safety services. In addition, attention needs to focus on necessary renovations of the existing Middle School, which was constructed in 1965 and is suffering from the wear of its very intense use.

In 2002, in order to contend with the ever increasing enrollment in the early childhood education program operating out of the former North Shore School, Town Meeting authorized a small addition onto the building. This addition is now under construction and will be ready to service students starting in September 2003. This project too is on time and on budget.

The Fiscal Year 2002 Tax rate was set at \$10.60 increasing the average single family tax bill to just over \$3,000. This increase reflects a moderation in the increase in State Aid over the previous year and the growing debt service expenses associated with the various capital project bond issues authorized during the period of 1997 to the present. Crossing the \$3,000 barrier is quite significant and must give all a moment of pause to consider what level of taxation does the community wish to place upon our taxpayers particularly those that are on fixed incomes.

I continue to be very concerned about the fiscal picture for next year as the Commonwealth of Massachusetts continues to experience deterioration in tax revenues caused by the weakened economy. At the time this report goes to press, we have been notified that \$265,029 of the \$12,679,840 of Local Aid promised to the Town in Fiscal Year 2003 will not be received. While we can absorb that amount of reduction, further reductions in aid in Fiscal Year 2004 will be very difficult to handle if we are to continue to provide the same level of service now enjoyed. I continue to work with all parties to develop courses of action that will maximize service while minimizing expenses.

In 2002, the Board of Selectmen was confronted with a challenge that directly impacted upon the fiscal stability of this community in the form of a proposal by an out of state for profit corporation to purchase sixty (60) acres of non-residentially zone property for the purposes of constructing at least 300 units of housing under the provisions of General Laws Chapter 40B. Forty-nine (49) of the sixty (60) acres of the property was classified under the provisions of Chapter 61A which meant that the Town had a first right of refusal option. The Board understanding that the loss of sixty (60) acres of non-residentially zoned land would adversely impact the Town's long term fiscal stability, took this matter to Town Meeting which approved the purchase of the sixty (60) acres for the sum of \$6 Million. Town Meeting also authorized via home rule petition the creation of a Economic Development and Industrial Corporation (EDIC) to marshal the development of this property. Currently, the EDIC is working to develop this property into an industrial park in a model similar to that done in other communities. The seven person EDIC was appointed by the Board of Selectmen and its membership brings a wealth of talent and experience.

In keeping with my practice, I have filed an updated five-year capital plan with the Board of Selectmen and Finance Committee. This document will be used as a tool to coordinate the efforts of the various Public Works Departments in 2003 and beyond. My budget filing, five-year capital plan and public works priority list are available for public inspection in this office.

In 2002 we continued to aggressively pursue a number of public works and public building facilities projects. I direct your attention to the reports of the Engineering, Public Buildings, Highway,

Cemetery, Parks, Sewer and Water Departments. These are the Departments that are engaged in the very important work of expanding and maintaining our critical public infrastructure.

In the public works area, we continue to focus on our water supply, stormwater management and wastewater treatment infrastructure. We continue to work on federally and state mandated planning work associated with both stormwater and wastewater management. While I believe our exposure to additional costs in the stormwater management area may result in some budgetary impact, I continue to fear a significant impact resulting from our work relative to the Comprehensive Wastewater Management Planning (CWMP) Project. This project is ongoing in cooperation with the Towns of Westborough, Northborough, Maynard, Hudson and the City of Marlborough. The involved communities all discharge treated effluent from wastewater treatment plants into the Assabet River Watershed thus necessitating this joint planning process. Hopefully I will soon ascertain what financial and developmental impacts the CWMP process will have upon this community.

In the area of water supply, we continue to pursue the recommendations contained within our Water Distribution Study completed in 2001 by our consulting engineering firm Tata and Howard Inc. This study makes a number of recommendations that deal with supply and distribution issues that must be pursued at best speed and practiced in order to provide the water supply necessary to fuel the growth of this community and to supply our current customers. Work to improve our water system capacity and efficiency will not however avoid the need to continue a vigorous water conservation program. Residents must expect that outdoor watering restrictions will be required this coming Spring and Summer and in the future until such time as additional well capacity can be brought on line. In addition, a new rate structure will be introduced in 2003 to make the use of water more progressive. The current rate structure does not adequately reward low water usage. The Department of Environment Protection has made it clear that approval of additional capacity will take place only after the Town of Shrewsbury shows more discipline relative to water consumption. Our per day/per capita usage is far greater than other similar communities which is why we must take a more aggressive stance relative to water conservation.

I am extremely pleased with the abilities of all of our public works and facilities departments to continue to manage and plan for our infrastructure needs. I also wish to make special note to the work of Town Engineer Jack Perreault and his very professional staff for assisting me and the other Department Heads involved in the public works and facilities area. It seems that every project we do has some direct involvement with the Engineering Department. Mr. Perreault and his staff provided excellent support to all involved departments in addition to pursuing their own engineering projects. This workload and involvement will continue to grow as we move further into the implementation of the Geographical Information Systems (GIS) Project first authorized at the 2000 Annual Town Meeting.

Michael Hale, Assistant Town Manager now heads up all of the special projects that we are working on. Mr. Hale provides the strategic control necessary to shepherd necessary resources to the various projects. Tactical control of all projects remain with the involved department.

In 2003, my focus will be on maintaining the fiscal health of this community as we weather the current economic storm. As a community and nation we are bracing for war and all of the uncertainties so associated from both the human and financial toll that war brings. I pray that the current level of international tension that exists is somehow abated and we can return to our normal lives. Unfortunately, our involvement and awareness in international affairs has changed greatly

since September of 2001, and we are not immune to the effect of this change. We have had employees who are reservists in the Police, Highway and Public Buildings Departments activated to military service. I am sure that there are also numerous Town residents also so affected by the military call up. We must focus on ensuring that every opportunity is taken to support the service and families of these servicemen and servicewomen. To that end, Town Meeting authorized the extension of health insurance benefits to those families of activated reservists. I thank the Town Meeting for taking this generous action.

We continue to maintain a high level of preparedness relative to the current focus on homeland security. Donald Filiere is the director of our emergency management agency (SEMA). Gerald Laflamme doubles as the chairman of the Local Emergency Planning Committee (LEPC). Shrewsbury has one of the few certified LEPC's in the area and the degree of cooperation among the various Town departments involved in local preparedness is outstanding. In the Fall of 2002, the LEPC sponsored a live drill to test our capacities and to provide a realistic training exercise to the many involved departments. We continue to work actively in this regard in 2003 and I thank all of the involved parties particularly the many civilian volunteers that are part of our emergency preparedness system.

I will also focus on the many public works infrastructure projects that are either ongoing or soon to be authorized. We must continue to ensure for our long term prosperity that we maintain our public works infrastructure at its highest possible level.

Finally, I will focus on the development of our non-residential tax base. Only through the expansion of the non-residential tax base will we be able to afford the levels of service that are now required in a community like Shrewsbury. I will work with all parties to ensure the best possible business environment exists in this community.

I wish to thank the Finance Committee for their continued assistance in the fiscal management of this community.

I also thank the Board of Selectmen for their continued assistance and support. I continue to find their counsel and direction of great value to me as I discharge my duties. I wish to commend the various department heads, employees, board, committee and commission members for their outstanding efforts to maintain Shrewsbury's excellent quality of life.

I wish to note the excellent work of Assistant Town Manager Michael Hale, Paula Brady and Janice McCoy throughout the past year in supporting the Board of Selectmen and me.

A final thank you to the residents of Shrewsbury for the opportunity to serve as your Town Manager.

Respectfully Submitted

Daniel J. Morgado